of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that oil companies have asked Government to raise the prices of LPG and Kerosene;

(b) if so, what was the justification given by them; and

(c) what was the response of Government?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) and (b) In view of the increase in the international prices of LPG and Kerosene post March 2002, the oil companies are of the opinion that the consumer prices of domestic LPG and PDS Kerosene needs to be increased.

(c) The Government is yet to fix the flat rates of subsidy on domestic LPG and PDS Kerosene. Once the subsidy rates are finalised, the consumer prices of these products would be fixed by the oil companies in line with the prices in the inter-national oil market.

Allotment of dealerships for Petrol Pumps

705. SHRI KARNENDU BHATTACHARJEE: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Ministry of Petroleum proposes to change the existing guidelines for the allotment of dealership of petroleum products in the wake of the large scale cancellation of allotment.

(b) whether the fresh guidelines have since been framed and if so, the details thereof; and

(c) if not, the reasons therefor; and

(d) by when the revised guidelines are likely to be put in place?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) to (d) Though the Government advised Oil Marketing Companies, through its letter dated 9.8.2002, that all allotments of retail outlet dealerships/LPG distributorships/SKO-LDO dealerships made on the recommendations of Dealer Selection Boards since 1.1.2000 should be cancelled and the cancelled dealerships/distributorships should be settled through auction on the basis of competitive bidding, the Supreme Court has, in its interim

order, directed that dealerships/distributorships which were taken over by the oil companies, be restored to the dealers/distributors. As the matter is *sub-judice*, further action on finalisation of modalities for auction of the cancelled dealerships/distributorships or framing of fresh guidelines can be taken by the Government only after the Supreme Court delivers its final judgement.

Managalore-Bangalore-Coimbatore LPG pipeline project

706. SHRI K.B. KRISHNA MURTHY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the estimated cost of the proposed Mangalore-Bangalore-Coimbatore LPG pipeline project;

(b) the estimated volume of LPG to be transported through the pipeline;

(c) whether the State Government of Karnataka has evinced keen interest in the project; and

(d) what is the present status of the above project?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) The estimated cost of the proposed Mangalore-Bangalore-Coimbatore LPG pipeline is Rs. 576.39 crore including a foreign exchange component of Rs. 165.01 crore. The estimate is based on Detailed Feasibility Report in August, 2000.

(b) The through-put capacity of the pipeline system is planned to be 1.10 MMTPA of LPG.

(c) Yes, Sir.

(d) Detailed Feasibility Report has been prepared and detailed survey completed. Rapid Rish Assessment (RRA) and Environment Impact Assessment (EIA) studies have also been completed. Work relating to acquisition of land in Tamil Nadu and Karnataka for laying of pipeline is on.